1:Stanford U. S-4, 5 1956 AF15 East China
AF15

505 471 head office in Shanghai, was first changed to the People's Steamship Company in 1950 and reorganized into the Ocean Shipping Administration[20] in 1951. The former Min-sheng Industrial Corporation, the largest privately owned shipping company in China, was reorganized into a joint public-private ownership concern in 1952 and changed its name to Min-sheng Shipping Corporation.[21] A number of privately owned inland water transportation firms, including Chung-hsing, Ta-t'ung and Ta-ta, were transformed into jointly owned and operated companies. By 1953, about thirty-four companies had been transformed into jointly owned and operated firms.[22]

V. AIR TRANSPORTATION IN EAST CHINA

509 When the Nationalist were forced to flee the Mainland in 1949, the two aviation companies, the China National Aviation Corporation and the Central Aviation Transport Corporation, took

20. Navigation in Communist China, p. 3.
21. Ibid.
22. Ching-chi Nien-pao [Economic Year Book] Hong Kong, Ching chi tao-pao she 1954, p. 52.

509 almost all available planes. Most of the planes were concentrated in Hong Kong, but in November 1949 Liu Ching-i and Ch'en Cho-lin, the leaders of the two companies, defected and flew back to the Mainland with a dozen planes.[23] Approximately 4,000 persons employed by the two companies remained in Hong Kong, and only a small number went to the Mainland when news came of the defection of Liu and Ch'en.[24]

By 1955, according to a Communist report, three civil air routes were being operated by the People's Aviation Company in the East China Region: (1) the Shanghai, Nanking, and Peking Route, (2) the Shanghai, Wuhan, Chungking, and Kunming Route, and (3) the Shanghai, Wuhan, Heng-yang, and Canton Route.[25] According to a New China News Agency release, the civil aviation target for the first half of 1955 were surpassed. The number of passangers carried was 13 per cent above the target, and the freight handled was 5.9 per cent over that

---

23. Far Eastern Economic Review, Hong Kong, Dec. 1, 1949, Vol. VII, No. 22, p. 693.

24. Finance, Economics and Transportation in Communist China, p. 165.

25. Ching-chi Tao-pao [Economic Bulletin], Hong Kong, Ching-chi tao-pao she, Jan. 10, 1955, p. 13.

1:Stanford U. S-4, 5 1956 AF15 East China
~~AF15~~ AF15

509 of the same period in 1954.[26]

489 A. Transportation of Key Commodities and
438 Their Trade Routes

Before the war, East China depended upon the import of rice and flour in order to meet the consumption requirements of the larger cities in the region. In 1954, the Communists claimed that East China had become a grain-surplus region, but this is true only because grain from Central-South China is shipped by the Chekiang-Kiangsi Railway and by barges on the Yangtze River to Shanghai and other important centers in East China. Wheat from Shantung is usually shipped to Shanghai, Tientsin, or Chengchow for milling and distribution. Rice produced in Kiangsu is shipped to North and Northwest China because in recent years these have been grain-deficit regions.

B. Cotton Transportaton and Trade Routes

Generally speaking, East China is a cotton-deficit region. Shanghai and Tsingtao, the two leading textile manufacturing centers of China, need tremendous quantities of raw cotton each year. The general pattern of cotton movements in East China is shown in the following table.

26. NCNA, Peking, July 20, 1955.